

SUMMARY OF THE REPUBLICAN BILL

“The Personal Responsibility, Work, and Family Promotion Act of 2005”

H.R. 240, the Personal Responsibility, Work, and Family Promotion Act of 2005, is nearly identical to H.R. 4, which passed the House in the 108th Congress by a bipartisan vote of 230-192. This legislation reinforces the President’s principles of “working toward independence” by:

- Helping more welfare recipients achieve independence through work.
- Protecting children, strengthening families, and promoting healthy marriages, including by offering additional financial incentives for States and community-based organizations to pursue strategies to promote healthy marriages and improve child-well-being.
- Maintaining full funding for the Temporary Assistance for Needy Families program (TANF) and increasing funding for child care programs, bolstering the commitment Congress made in 1996 despite unprecedented caseload declines.
- Increasing State flexibility in using TANF funds while maintaining and updating current incentives to reduce caseloads and count those reductions toward State work requirements.
- Supporting further declines in poverty through job preparation, work, and marriage.

Key Components of 2005 Legislation

Helping Welfare Recipients Achieve Independence Through Work

- **Increasing Minimum Work Requirements.** Under current law, at least 50% of TANF families are required to participate in work and other activities designed to help them achieve self-sufficiency. The 2005 legislation increases the work requirement by 5% per year beginning in fiscal year 2007, so that States are required to have 70% of families on welfare participating in work and job-preparation activities in FY 2010. The legislation also allows States to continue to get “credit” toward work participation rates for caseload declines. Also, 17 “superachiever” States with caseload declines well above the national average since 1995 will receive an additional credit toward the State work rate.

- **Requiring Welfare Recipients to Put in a Full Work Week and Providing Additional Opportunities for Education and Training.** The 2005 legislation builds on the successful work requirements of the 1996 welfare reform law by requiring welfare recipients to work 40 hours per week – either at a job or in programs designed to help them achieve independence. The bill makes special accommodations for parents with infants and individuals who need substance abuse treatment, rehabilitation or special work-related training. As much as two days per week can be spent in these activities and be counted as “work”. Up to 5 months during a 24-month period may be counted towards State work participation requirements if the individual engages in education or training programs leading to work.
- **Providing Health Benefits for Those Leaving Welfare.** H.R. 240 reauthorizes the Transitional Medical Assistance program to ensure that individuals leaving welfare for employment have guaranteed health care coverage for up to a year as they transition into self-sufficiency.

Protecting Children & Strengthening Families

- **Protecting Children by Increasing Child Care Funding and Increasing States’ Flexibility in Providing Child Care for Low-Income Working Families.** The 2005 legislation follows the President’s recommendation to continue historically high levels of support for child care (currently \$4.8 billion per year) through the Child Care and Development Block Grant (CCDBG), while adding \$2 billion in additional funds for child care in the coming 5 years. Half of this funding will be mandatory and half discretionary. The bill also increases the amount of TANF funds States can transfer to CCDBG from 30% to 50% per year.
- **Improving Child Care Quality.** Consistent with President Bush’s new early childhood education initiative, *Good Start, Grow Smart*, the bill encourages States to address the cognitive needs of young children so that they are developmentally prepared to enter school. It also encourages States to utilize resources in their State to collect and disseminate information to parents, consumers, and child care providers. Moreover, the bill emphasizes the importance of quality child care and education by requesting States to address the quality of care available to children and parents. The bill requires States to devote at least six percent of funds from the CCDBG to improve child care quality, and establishes permissible uses for those funds. It also requests that States work to meet the needs of parents eligible for assistance who have children with special needs, work non-traditional hours, or require infant and toddler care.

- **Strengthening Child Support Enforcement and Encouraging States to Give Child Support Payments to Mothers And Children.** Under current law, government keeps a substantial portion of the money collected to pay past-due child support in cases of families that have received welfare. The 2005 legislation provides financial incentives for States to give more money to mothers and children, especially mothers who have left welfare.
- **Encouraging Healthy Marriages and Two-Parent Married Families.** Beginning as soon as the legislation becomes law, the 2005 legislation makes available up to \$300 million annually for programs that encourage healthy, stable marriages. These programs include pre-marital education and counseling, as well as research and technical assistance into promising approaches that work. The bill also removes disincentives in current law so States will spend more of their own funds on programs designed to promote healthy, stable marriage and authorizes a \$20 million grant fund, as proposed by the President, to support community efforts to promote responsible fatherhood.
- **Continues Abstinence-Only Education Funding.** H.R. 240 maintains level funding for the abstinence education State block grant program, which provides \$50 million per year in funds to States to be used exclusively for the teaching of abstinence from premarital sexual activity.

Encouraging Innovation by States

- **Establishing New “State Flex” Authority to Encourage Program Innovation.** The 2005 legislation offers new authority to enable States to conduct “State Flex” demonstration projects to improve program effectiveness or coordinate a range of programs in order to improve service delivery. Eligible programs include TANF, Food Stamps, Public Housing, Workforce Investment Act, and Child Care, among others.
- **Offering a Limited Number of States the Chance to Seek Innovations in the Food Stamp program.** The Secretary of Agriculture may choose, from among competing applications, up to 5 States to test innovative and improved approaches to delivering Food Stamp benefits to needy families. This authority builds on existing waiver authority in current Food Stamp law which includes significant restrictions on how States can operate the program and that effectively prevents true innovation.